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**N.J. MAN PLEADS GUILTY IN FEDERAL COURT TO STEALING
THE MOVIE 'THE HULK' AND POSTING IT ON THE INTERNET**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, and KEVIN P. DONOVAN, Assistant Director in Charge of the New York office of the FBI, announced that KERRY GONZALEZ, a New Jersey resident, pled guilty today in Manhattan federal court to a felony charge of making an unauthorized digital copy of the copyrighted motion picture "The Hulk" and uploading it onto the internet in advance of the movie's release in theaters.

According to a criminal Information filed today, Universal Studios, which produced "The Hulk" and which holds the copyrights on the movie and the screenplay, created an unfinished version of the movie -- a "work print" -- intended for use only by a very limited group of individuals and entities who were working on the film and its advertising campaign. Because it was created only for limited purposes, the work print was of somewhat lesser quality than the final film: for example, the special

effects and graphics were not finalized, and the soundtrack was not complete. In addition, according to the Information, the work print was encoded with special security measures to prevent unauthorized distribution, including a "tag" embedded in the film, permitting any unauthorized copies to be traced.

According to the Information, approximately two and a half weeks prior to the June 20, 2003, nationwide theatrical release of the "The Hulk," Universal sent a copy of the work print to an advertising agency in Manhattan, on the understanding that the ad agency would not permit anyone to make or distribute copies. Nevertheless, according to the Information, an employee of the ad agency loaned the work print to an acquaintance, who in turn loaned it to GONZALEZ.

The Information charges that, using his home computer, GONZALEZ made an unauthorized digital copy of the work print and then ran a program to manipulate the computerized copy, in an effort to defeat the security tag in the movie. According to the Information, GONZALEZ uploaded the digitized copy of the work print on June 6, 2003, to an internet website chat room hosted from the Netherlands, frequented by numerous movie enthusiasts who routinely gather there to post and trade copies of bootleg movies -- thereby making it available to all the members of the chat room, in violation of Universal's copyrights.

GONZALEZ entered his guilty plea this afternoon before

United States Magistrate Judge GABRIEL W. GORENSTEIN and he is scheduled to be sentenced on September 26, 2003, by United States District Judge GERARD E. LYNCH.

GONZALEZ faces a maximum sentence of 3 years in prison, and a fine of \$250,000 or twice the gross gain or gross loss from the offense.

GONZALEZ, 24, lives in Hamilton, New Jersey.

Mr. COMEY praised the efforts of the FBI's Computer Hacking and Intellectual Property Squad for its efforts in this case.

Mr. COMEY said that the investigation is continuing.

Assistant United States Attorney DAVID SIEGAL is in charge of the prosecution.

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